THE VOICE OF LOCAL GOVERNMENT

## **TESTIMONY**

of the

## CONNECTICUT CONFERENCE OF MUNICIPALITIES

to the

## FINANCE, REVENUE AND BONDING COMMITTEE

CCM is Connecticut's statewide association of towns and cities and the voice of local governments - your partners in governing Connecticut. Our members represent over 93% of Connecticut's population. We appreciate this opportunity to testify before you on issues of concern to towns and cities.

CCM urges you to delete the provision in Section 26 of HB 6350, "AAC Eliminating Exemptions From The Sales And Use Tax And Lowering The Rate Of Such Tax" that would repeal the exemption from sales and use taxes for municipalities (as well as the state and the US government) provided in CGS 12-412.

Imposing the sales and use tax on local governments would be contrary to the state-local partnership and would only serve to impose more costs on towns and cities. It would be a direct shift of a tax burden from the State onto the backs of the property tax. It simply would not make sense for the State to tax local governments.

Should this legislation go forward, we urge you to <u>delete the provision in section 26 that would</u> repeal CGS 12-412.

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For more information, please contact Gian-Carl Casa or Bob Labanara at (203) 498-3000.